



**SCE Advice Letter** – SCE submits its “Consolidated Revenue Requirement and Rate Change” Advice Letter to implement new electric rates and their associated tariffs from previously authorized decisions, resolutions, and advice letters, most significantly the recent Energy Resource Recovery Account (ERRA) Forecast Proceeding decision for SCE issued in January 2022. SCE submitted its Consolidated advice letter 4719-E on February 15, 2022. The changes set forth in AL 4719-E will result in an electric rate and bill increase beginning on March 1, 2022.

**Estimated Bill Impacts of All Requested Electric Rate Changes Effective March 1, 2022:**

<b>Estimated Electric Bill Impacts<sup>1</sup></b>	<b>SCE as of March 1, 2022</b>
➤ Average Residential Non-CARE electric bill	\$159.82
➤ Average Residential Non-CARE electric bill increase	\$11.48 (7.7%)
➤ Average Residential CARE electric bill	\$103.95
➤ Average Residential CARE electric bill increase	\$7.35 (7.6%)

Below are the primary drivers of SCE's March 1, 2022, electric rate changes, which involve a revenue increase of \$158.8 million for its electric utility operations and capital investments. This rate/bill increase is attributable to rate changes authorized in SCE's January 2022 Energy Resource Recovery Account (ERRA) Forecast decision, 2021 General Rate Case (GRC) Track 2 decision, Emergency Reliability Energy Storage decisions and regulatory account adjustments and recoveries. Dollar amounts shown below represent the increase or decrease in revenue collected from customers in rates; *not* total program costs:

- ✚ The primary drivers of the March 1<sup>st</sup> rate increase are:
  - The ERRA Forecast Decision (D.)22-01-003 authorized revenue for fuel and purchased power costs and clean energy programs (\$125 million revenue decrease).
    - Despite the decrease in requested revenue, changes in ERRA will nevertheless result in a rate increase largely due to the departure of customers to other electric providers.
    - \$5.44 (5.6%) of SCE's Residential CARE customers' bill impact is attributed to the 2022 ERRA increase with an equivalent impact of \$8.68 (5.8%) for SCE's Non-CARE Residential customers' bill.

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<sup>1</sup> Based on a “typical” residential bundled customer using, on average, 500 kilowatt-hours per month.

# ENERGY DIVISION RATE CHANGE ADVISORY



- 2021 General Rate Case Track 2 wildfire-related operations and maintenance expenses and 2020 COVID-related uncollectible expenses (\$187 million).
    - \$1.08 (1.1%) of SCE's Residential CARE customers' bill impact is attributed to FERC Transmission Costs increases with an equivalent impact of \$1.58 (1.1%) to SCE's Non-CARE Residential customers' bill.
  - Emergency Reliability Energy Storage (\$84.9 million).
    - \$0.59 (0.6%) of SCE's Residential CARE customers' bill impact is attributed to FERC Transmission Costs increases with an equivalent impact of \$0.86 (0.6%) to SCE's Non-CARE Residential customers' bill.
- ✚ In addition to the increases noted above, other categories of revenue and rate adjustments reduced costs and counteract the increases described above by 0.3% for CARE Residential customers and 0.2% for Non-CARE Residential customers. The combined effect of updating regulatory account balances, implementation of authorized programs (Public Purposes, Electric Program Investment Charge, Wildfire and Natural Disaster Resiliency Rebuild, etc.), and bond charge recovery resulted in additional increase, yielding the overall rate/bill impacts detailed in the table above.